

W A S H I N G T O N  
**H I G H E R**  
**EDUCATION**  
C O O R D I N A T I N G   B O A R D

**February 2004**

## **Proposed Rules Change State Need Grant Program**

### **Background**

The State Need Grant (SNG) program is charged with “...assisting financially needy or disadvantaged students domiciled in Washington to obtain the opportunity of attending an accredited institution of higher education...” (RCW 28B.10.800). In 2002, Board staff convened a State Need Grant policy work group, composed of financial aid professionals from Washington’s public and independent colleges and universities and representatives from key higher education organizations. The work group met five times in 2002 and 2003 to discuss issues related to the SNG program and recommend program improvements.

Board staff presented the work group’s recommendations to the Board’s Financial Aid Committee on January 12, and briefed the full Board at the January 15 meeting. On January 15, the Board accepted the work group’s recommendation to allow the SNG to exceed the value of tuition by up to \$50, and directed Board staff to pursue a rules change for the program for the 2003-04 and 2004-05 academic years.

Current program rules cap the SNG at the actual cost of tuition and required fees. The proposed rules change would affect community and technical college students, who pay slightly lower tuition when enrolled for 12 to 14 credits. It would allow these students to receive grants based on tuition and fees for 15 credits of enrollment. SNG recipients in this situation could receive up to \$14 in excess of their tuition and fees in 2003-04.

In directing staff to make the rules change, the Board also called for a review of the change in two years to determine if it should be continued.

### **Proposed Rules**

The proposed rules change would allow the Washington State Need Grant award to exceed the required tuition and fees a student pays by up to \$50 annually.

The proposed rules change, as filed with the Washington State Code Reviser, is attached for the Board's review. The language of WAC 250-20-041 (3) (b) has been changed to read as follows:

- (b) **Except for the 2003-04 and 2004-05 academic years, t**~~The base grant award shall not exceed the actual tuition and fees charged to the eligible student. During the 2003-04 and 2004-05 years the grant award may exceed the tuition charged to the eligible student by fifty dollars.~~

### **Next Steps**

Following the January 15 meeting, Board staff filed the proposed rules with the Code Reviser's Office. The Board will hold a public hearing on the proposed rules change on February 24, 2004, from 9:00 a.m. to 12:00 noon at the HECB offices in Olympia. Taking into consideration any written or verbal comments received by that date, the Board will be asked to adopt the rules in their final form at the March 25, 2004 meeting. The new rules would take effect 31 days later.



**PROPOSED RULE MAKING  
(RCW 34.05.320)**

**CR-102 (7/22/01)**  
**Do NOT use for expedited  
rule making**

Agency: **Higher Education Coordinating Board**

- ☒ Proposal Statement of Inquiry was filed as WSR 03-15-097; or  
☐ Expedited Rule Making -- Proposed notice was filed as WSR \_\_\_\_\_; or  
☐ Proposal is exempt under RCW 34.05.310(4).

- ☒ Original Notice  
☐ Supplemental Notice  
to WSR \_\_\_\_\_  
☐ Continuance of WSR \_\_\_\_\_

(a) Title of rule: (Describe Subject)

**Exception to State Need Grant Award Amount Limitation**

Purpose: The proposed rule provides a limited two-year exception to the existing rule prohibiting the award from exceeding the value of public sector tuition and fees.

Other identifying information:

(b) Statutory authority for adoption: RCW 28B.80 and RCW 28B.10.822

Statute being implemented: N/A

(b) Summary:

In the 2003-04 and 2004-05 academic years the proposed rule permits the State Need Grant award to exceed public sector tuition by up to \$50.

Reasons supporting proposal:

The Higher Education Coordinating Board is working with a sector representative group of student aid administrators to determine whether a longer term or broader modification to the existing rule is necessary.

(d) Name of Agency Personnel Responsible for:	Office Location	Telephone
1) Drafting..... John Klacik	917 Lakeridge Way, Olympia, WA 98504	360-753-7851
2. Implementation.... John Klacik	917 Lakeridge Way, Olympia, WA 98504	360-753-7851
3. Enforcement..... John Klacik	917 Lakeridge Way, Olympia, WA 98504	360-753-7851

(e) Name of proponent (person or organization):

Higher Education Coordinating Board

- ☐ Private  
☒ Public  
☐ Governmental

(f) Agency comments or recommendations, if any, as to statutory language, implementation, enforcement and fiscal matters:  
None

(g) Is rule necessary because of:

- |                         |                              |  |  |
|-------------------------|------------------------------|--|--|
| Federal Law?            | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | If yes, ATTACH COPY OF TEXT<br>Citation: |
| Federal Court Decision? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |  |
| State Court Decision?   | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |  |

(h) HEARING LOCATION:

Higher Education Coordinating Board  
3<sup>rd</sup> Floor Conference Room  
917 Lakeridge Way  
Olympia, WA 98504

Submit written comments to:

John Klacik  
Associate Director  
Higher Education Coordinating Board  
P.O. Box 43430  
Olympia, WA 98504-3430

FAX (360) 704-6251 Email: [johnk@hecb.wa.gov](mailto:johnk@hecb.wa.gov)

By (date) February 27, 2004

DATE OF INTENDED ADOPTION: March 25, 2004

**CODE REVISER USE ONLY**

CODE REVISER'S OFFICE  
STATE OF WASHINGTON  
FILED

JAN 21 2004

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TIME \_\_\_\_\_

WSR \_\_\_\_\_ 04-03-108

AM PM

Assistance for persons with disabilities: Contact  
**Belma Villa** by **February 23 2004**

NAME (TYPE OR PRINT)

John Klacik

SIG RE

*John Klacik*

TITLE

Associate Director

DATE

January 20, 2004

(COMPLETE REVERSE SIDE)

AMENDATORY SECTION (Amending WSR 99-16-015, filed 7/23/99, effective 8/23/99)

**WAC 250-20-041 Award procedure.** (1) The institution will offer grants to eligible students from funds reserved by the board. It is the institution's responsibility to ensure that the reserve is not over expended within each academic year.

(2) The state need grant award for an individual student shall be the base grant, appropriate for the sector attended and a dependent care allowance, if applicable, adjusted for the student's family income and rate of enrollment. Each eligible student receiving a grant must receive the maximum grant award for which he or she is eligible, unless such award should exceed the student's overall need or the institution's approved gift equity packaging policy.

(3) The grant amount for students shall be established as follows:

(a) The award shall be based on the representative average tuition, service, and activity fees charged within each public sector of higher education. The average is to be determined annually by the higher education coordinating board.

(b) Except for the 2003-04 and 2004-05 academic years, the base grant award shall not exceed the actual tuition and fees charged to the eligible student. During the 2003-04 and 2004-05 years the grant award may exceed the tuition charged to the eligible student by fifty dollars.

(c) The base grant award for students attending independent four-year institutions shall be equal to that authorized for students attending the public four-year research institutions. The base grant for students attending private vocational institutions shall be equal to that authorized for students attending the public community and technical colleges.

(4) The total state need grant award shall be reduced for students with family incomes greater than fifty percent of the state's median and for less than full-time enrollment.

(a) Students whose incomes are equal to fifty-one percent to seventy-five percent of the state's median family income shall receive seventy-five percent of the maximum award. Students whose incomes are equal to seventy-six percent to one hundred percent of the state's median family income shall receive fifty percent of the maximum award. Students whose incomes are equal to one hundred one percent to one hundred twenty-five percent of the state's median family income shall receive twenty-five percent of the maximum award.

(b) Eligible students shall receive a prorated portion of their state need grant for any academic period in which they are enrolled at least half-time, as long as funds are available.

Students enrolled at a three-quarter time rate, at the time of disbursement, will receive seventy-five percent of their grant. Students enrolled half-time at the time of disbursement will receive fifty percent of their grant.

(5) Depending on the availability of funds, students may receive the need grant for summer session attendance.

(6) The institution will be expected, insofar as possible, to match the state need grant with other funds sufficient to meet the student's need. Matching moneys may consist of student financial aid funds and/or student self-help.

(7) All financial resources available to a state need grant recipient, when combined, may not exceed the amount computed as necessary for the student to attend a postsecondary institution. The student will not be considered overawarded if he or she receives additional funds after the institution awards aid, and the total resources exceed his or her financial need by \$200 or less by the end of the academic year.

(8) The institution shall ensure that the recipient's need grant award, in combination with grant aid from all sources, not exceed seventy-five percent of the student's cost-of-attendance. In counting self-help sources of aid, the aid administrator shall include all loans, employment, work-study, scholarships, grants not based on need, family contribution, and unmet need.

(9) The institution will notify the student of receipt of the state need grant.

(10) Any student who has received at least one disbursement and chooses to transfer to another participating institution within the same academic year may apply to the board for funds to continue receipt of the grant at the receiving institution.